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16 17	UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA
18 19	UNITED STATES OF AMERICA,) CIVIL NO. 99-12216
20 21	Plaintiff, v.
22 23) COMPLAINT ARCO TERMINAL SERVICES CORP.,)
24 25	Defendant.)
26	The United States of America, by and through the undersigned attorneys, by
2728	authority of the Attorney General of the United States, and acting at the request of

the Administrator of the United States Environmental Protection Agency ("EPA"), alleges as follows:

NATURE OF ACTION

1. This is a civil action against Defendant ARCO Terminal Services

Corporation ("ATSC") for civil penalties and injunctive relief pursuant to Section

113(b) of the Clean Air Act, 42 U.S.C. § 7413(b), based on ATSC's violations of

Rule 1142 of the South Coast Air Quality Management District Rules as

incorporated into California's State Implementation Plan ("SIP").

JURISDICTION, AUTHORITY, AND VENUE

- 2. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§ 1331, 1345, and 1355, and under Section 113(b) of the Clean Air Act, 42 U.S.C. § 7413(b).
- 3. The United States Department of Justice has authority to bring this civil enforcement action under 28 U.S.C. §§ 516 and 519, and under Section 305 of the Clean Air Act, 42 U.S.C. § 705.
- 4. The alleged violations of the Clean Air Act occurred at ATSC's marine loading facility in Long Beach, California. Venue for this civil action lies in the Central District of California pursuant to 28 U.S.C. §§ 1391(b) and 1395, and under Section 113(b) of the Clean Air Act.

NOTICE

5. The United States has notified the State of California of the commencement of this action pursuant to Section 113(b) of the Clean Air Act, 42 U.S.C. § 7413(b).

THE DEFENDANT

6. Defendant ATSC is a Delaware corporation with its principal place of business in Houston, Texas. ATSC operated a marine loading facility at Pier B (Berths 76, 77, and 78) in Long Beach, California. ATSC used the facility for the loading and unloading of petroleum liquids onto marine vessels.

REGULATORY BACKGROUND

The Clean Air Act and Rule 1142

- 7. The primary purpose of the Clean Air Act, 42 U.S.C. §§ 7401-7671, is to protect and enhance the quality of the nation's air resources so as to promote the public health and welfare and the productive capacity of its population.

 42 U.S.C. § 7401(b)(1). To accomplish this, Section 109 of the Clean Air Act, 42 U.S.C. § 7409, requires the Administrator of EPA (the "Administrator") to promulgate national ambient air quality standards ("NAAQS") for certain air pollutants to protect public health and welfare.
 - 8. On February 8, 1979, the Administrator promulgated the NAAQS for

ozone. These standards are published at 40 C.F.R. § 50.9. Because volatile organic compounds ("VOCs") react to form ozone, federal and state regulatory schemes for attaining the NAAQS for ozone focus on the reduction or elimination of VOCs.

- 9. Section 110 of the Clean Air Act, 42 U.S.C. § 7410, requires each state to adopt and submit to the Administrator for approval a SIP that provides for the attainment and maintenance of the NAAQS in each air quality control region within the state. Once EPA approves the SIP, it is independently enforceable by the federal government under Section 113(b) of the Clean Air Act, 42 U.S.C. § 7413(b).
- 10. EPA has designated the South Coast Air Basin as an extreme non-attainment area for ozone pollution. 40 C.F.R. § 81.305. The California agency primarily responsible for the control of pollution in the South Coast Air Basin is the South Coast Air Quality Management District.
- 11. The South Coast Air Quality Management District adopted Rule 1142 on July 19, 1991. The California Air Resources Board, the California agency legally authorized to submit SIPs and SIP revisions to EPA, submitted Rule 1142 to EPA for approval on January 28, 1992. EPA approved Rule 1142 into the SIP on December 13, 1994. See 59 Fed. Reg. 64132. The Rule became federally

- 12. South Coast Air Quality Management District Rule 1142 applies to "all loading . . . and housekeeping events where a marine tank vessel is filled with an organic liquid; or where a liquid is placed into a marine tank vessels's cargo tanks which had previously held organic liquid."
 - 13. Rule 1142(a). Rule 1142(c)(1)(B) provides that:

 Effective January 1, 1994 a loading . . . or housekeeping
 of a marine tank vessel shall not be conducted while in

 South Coast Waters, unless:
 - (i) The emissions of volatile organic compounds are limited to 5.7 grams per cubic meter (2 lbs. per 1,000 barrels) of liquid loaded into a marine tank vessel; or
 - (ii) The emission of volatile compounds are reduced by at least 95 percent by weight from uncontrolled emissions.
- 14. Section 113(b) of the Act, 42 U.S.C. § 7413(b), authorizes the United States to commence a civil action for a permanent or temporary injunction, and to assess and recover a civil penalty of not more than \$25,000 per day for each violation whenever a person has violated any requirement or prohibition of an

applicable implementation plan. This amount was increased to \$27,500 per day for violations occurring on and after January 31, 1997. See 40 C.F.R. § 19. Such an action may be commenced 30 days following the date of EPA's notification that such person has violated, or is in violation of, a requirement or prohibition in a SIP.

GENERAL ALLEGATIONS

- 15. From February 11, 1995 and continuing through May 16, 2002, ATSC operated a marine loading facility at Pier B (Berths 76, 77, and 78) in Long Beach, California. The marine vessels loaded at this facility transported petroleum liquids to other terminals or refineries for distribution or further processing.
- 16. ATSC's marine facility is in the South Coast Air Basin and within the jurisdiction of the South Coast Air Quality Management District, and therefore is subject to the requirements of Rule 1142.
- 17. ATSC's operations at this facility typically involved the removal of petroleum liquids from marine vessels, followed by the refilling of the holding tanks with other organic liquids, including refined petroleum products. As the organic liquid refilled the holding tanks, the VOCs and/or diesel fuel exhaust remaining in the holding tanks were displaced and vented to the atmosphere.
 - 18. On September 27, 1999, EPA Region 9 issued a Notice of Violation

("NOV") to ATSC regarding alleged violations of Rule 1142.

CLAIM FOR RELIEF

- 19. Paragraphs 1 through 18 are realleged and incorporated herein by reference.
- 20. On at least 294 occasions between February 11, 1995 and May 16, 2002, ATSC violated District Rule 1142 by engaging in loading events in which it failed to either verify the level of its VOC emissions, or to use control technology to reduce emissions to an efficiency of 95%.
- 21. Pursuant to Section 113(b) of the Act, 42 U.S.C. § 7413(b), this Court may assess a civil penalty of up to \$25,000 for each day of violation occurring before January 31, 1997 (or \$27,500 per day for each day of violation occurring on and after January 31, 1997 and before May 16, 2002).
- 22. WHEREFORE, Plaintiff, the United States of America, respectfully prays that:
 - (a) this Court enter judgment against defendant ATSC;
- (b) assess civil penalties of up to \$25,000 for each day of violation occurring before January 31, 1997, and \$27,500 per day for each day of violation occurring on and after January 31,1997 and before May 16, 2002;
 - (c) issue an injunction requiring ATSC to use control technology

1	for all events subject to the requirements of Rule 1142; and
2	(d) award such other relief as the Court deems just and proper
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5	Respectfully submitted,
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